

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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In re

SEARS HOLDINGS CORPORATION, *et al.*,

Debtors.¹
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Chapter 11

Case No. 18-23538 (RDD)

(Jointly Administered)

AFFIDAVIT AND DISCLOSURE STATEMENT OF FRANCIS D. POND,
POND NORTH LLP
ON BEHALF OF _____

STATE OF CALIFORNIA

) s.s.:

COUNTY OF LOS ANGELES

FRANCIS D. ("FRANK") POND, being duly sworn, upon his oath, deposes and says as follows:

1. I am a Partner of Pond North LLP,

located at 355 S. Grand Avenue, 43rd Floor, Los Angeles, CA 90071 (the "Firm").

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors' corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

2. Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “Debtors”), have requested that the Firm provide asbestos litigation legal advice services to the Debtors, and the Firm has consented to provide such services (the “Services”).

3. The Services include, but are not limited to, the following: valuation of asbestos claims, lawsuits, and future obligations; advice regarding the oversight of pending claims and prior settlements; advice regarding the asbestos litigation on a national basis; asbestos legislation, if any; trial and appellate work, if any; serving notices of bankruptcy in active or new claims.

4. The Firm may have performed services in the past and may perform services in the future, in matters unrelated to these chapter 11 cases, for persons that are parties in interest in the Debtors’ chapter 11 cases. As part of its customary practice, the Firm is retained in cases, proceedings, and transactions involving many different parties, some of whom may represent or be claimants or employees of the Debtors, or other parties in interest in these chapter 11 cases. The Firm does not perform services for any such person in connection with these chapter 11 cases. In addition, the Firm does not have any relationship with any such person, such person’s attorneys, or such person’s accountants that would be adverse to the Debtors or their estates with respect to the matters on which the Firm is to be retained.

5. Neither I, nor any principal of, or professional employed by the Firm has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than principals and regular employees of the Firm.

6. Neither I nor any principal of, or professional employed by the Firm, insofar as I have been able to ascertain, holds or represents any interest materially adverse to the Debtors or their estates with respect to the matters on which the Firm is to be retained.

7. As of the commencement of this chapter 11 case, the Debtors owed the Firm \$ 238,591.51 in respect of prepetition services rendered to the Debtors.

8. The Firm is conducting further inquiries regarding its retention by any creditors of the Debtors, and upon conclusion of this inquiry, or at any time during the period of its employment, if the Firm should discover any facts bearing on the matters described herein, the Firm will supplement the information contained in this Affidavit.

Pursuant to 28 U.S.C. §1746, I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct, and that this Affidavit and Disclosure Statement was executed on November 29, 2018, at LOS ANGELES, CALIFORNIA



Affiant Name FRANK D. POND

SWORN TO AND SUBSCRIBED before
Me this 29th day of November, 2018

Updated CA Acknowledgment Attached @
Notary Public

ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Los Angeles)

On November 29, 2018 before me, Shadi Khalilieh, Notary Public
(insert name and title of the officer)

personally appeared Francis D. Pond,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are
subscribed to the within instrument and acknowledged to me that he/she/they executed the same in
his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the
person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing
paragraph is true and correct.

WITNESS my hand and official seal.



Signature 

(Seal)

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

-----X
In re :
SEARS HOLDINGS CORPORATION, *et al.*, : Chapter 11
: Case No. 18-23538 (RDD)
: (Jointly Administered)
Debtors.¹ :
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RETENTION QUESTIONNAIRE

TO BE COMPLETED BY PROFESSIONALS EMPLOYED by Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession (collectively, the “Debtors”).

All questions **must** be answered. Please use “none,” “not applicable,” or “N/A,” as appropriate. If more space is needed, please complete on a separate page and attach.

1. Name and address of professional:

Francis D. ("Frank") Pond, Esq. / Pond North LLP

355 South Grand Avenue, 43rd Floor, P.O. Box 17941, Los Angeles, CA 90071

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2. Date of retention: 1/1/2004 when Pond North LLP opened. Note: Lawyer Pond had represented Sears, Roebuck and Co. from 1999 forward while a Partner at Pond, North & Hugo, P.C. (1999 - 2002) and at Burke Williams & Sorensen, P.C. (2002-2003)

3. Type of services to be provided:

Asbestos litigation legal advice

4. Brief description of services to be provided:

Valuation of asbestos claims, lawsuits, and future obligations; advice regarding the

oversight of pending claims and prior settlements; advice regarding the asbestos litigation

on a national basis; trial and appellate work, if any; advice regarding proposed asbestos legislation, if any; serving notices of bankruptcy in active or new claims.

5. Arrangements for compensation (hourly, contingent, etc.):

Hourly

(a) Average hourly rate (if applicable): \$245

(b) Estimated average monthly compensation based on prepetition retention (if company was employed prepetition):

2018 average pre-petition monthly fees - \$65,262.11 and costs \$11,820.31, totaling \$77,082.42.

Estimate is 25% of same or \$19,000 per month on average.

6. Prepetition claims against the Debtors held by the company:

Amount of claim: \$ 238,591.51

Date claim arose: 7/31/18 - 10/14/18 (services rendered during these periods)

Nature of claim: Fees earned and costs expended on asbestos personal injury cases pending in California, Arizona, Massachusetts, Rhode Island, Connecticut, and advice on asbestos litigation strategy nationally.

7. Prepetition claims against the Debtors held individually by any member, associate, or employee of the company:

Name: N/A

Status: _____

Amount of claim: \$ _____

Date claim arose: _____

Nature of claim: _____

8. Disclose the nature and provide a brief description of any interest adverse to the Debtors or to their estates for the matters on which the professional is to be employed:

N/A

9. Name and title of individual completing this form:

Francis D. ("Frank") Pond, Managing Partner, Pond North LLP



Dated: November 29, 2018